

REFERENCE TITLE: workers' compensation; charges; dispute resolution

State of Arizona  
Senate  
Forty-ninth Legislature  
First Regular Session  
2009

# **SB 1262**

Introduced by  
Senator Leff

AN ACT

AMENDING TITLE 23, CHAPTER 6, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTION 23-1062.02; RELATING TO WORKERS' COMPENSATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Title 23, chapter 6, article 9, Arizona Revised Statutes,  
3 is amended by adding section 23-1062.02, to read:

4       23-1062.02. Medical, surgical and hospital charges: dispute  
5                          resolution: rules: injured worker responsibility

6       A. UNLESS A HEALTH CARE PROVIDER ENTERS INTO A WRITTEN CONTRACT WITH  
7 THE EMPLOYER OR INSURANCE CARRIER THAT PROVIDES FOR REIMBURSEMENT RATES FOR  
8 THE PROVIDER'S SERVICES OR IF A DISPUTE ARISES REGARDING THE REASONABLENESS  
9 OF CHARGES, ANY MEDICAL, SURGICAL AND HOSPITAL CHARGES UNDER THIS CHAPTER  
10 THAT ARE NOT GOVERNED BY THE SCHEDULE OF FEES UNDER SECTION 23-908 SHALL BE  
11 FAIR AND REASONABLE AND SHALL BE BASED ON THE USUAL AND CUSTOMARY  
12 REIMBURSEMENT RATES THAT PREVAIL IN THE SAME COMMUNITY FOR SIMILAR SERVICES.

13       B. THE COMMISSION SHALL ESTABLISH A VOLUNTARY ALTERNATIVE DISPUTE  
14 RESOLUTION PROCESS AND APPOINT ARBITRATORS TO ADJUDICATE AND RESOLVE DISPUTES  
15 REGARDING THE REASONABLENESS OF CHARGES AND BILLING DISPUTES UNDER THE  
16 SCHEDULE OF FEES UNDER SECTION 23-908. THE COMMISSION SHALL APPOINT ONE OR  
17 MORE ARBITRATORS TO DECIDE A DISPUTE. THE COMMISSION SHALL DETERMINE THE  
18 ARBITRATORS' REASONABLE COMPENSATION, AND THE PARTIES TO THE DISPUTE SHALL  
19 PAY FOR THE ARBITRATORS' REASONABLE COMPENSATION. IF THE PARTIES PARTICIPATE  
20 IN THE VOLUNTARY ALTERNATIVE DISPUTE RESOLUTION PROCESS, THE DECISION OF THE  
21 ARBITRATOR IS FINAL AND BINDING. IF AN AWARD IS ENTERED THAT DETERMINES THE  
22 HEALTH CARE PROVIDER IS ENTITLED TO ADDITIONAL AMOUNTS FOR SERVICES RENDERED,  
23 THE AWARD SHALL BE CONSIDERED AS AN ADDITIONAL BILLING THAT IS SUBJECT TO THE  
24 TIMELY BILL PAYMENT REQUIREMENTS UNDER SECTION 23-1062.01. ANY DECISION MADE  
25 BY AN ARBITRATOR UNDER THIS SECTION IS CONFIDENTIAL BETWEEN THE PARTIES AND  
26 IS NOT PRECEDENT IN ANY OTHER ARBITRATION.

27       C. THE COMMISSION SHALL ADOPT RULES TO GOVERN THE ARBITRATION PROCESS  
28 UNDER THIS SECTION, EXCEPT THAT THE COMMISSION SHALL NOT ADOPT RULES  
29 REGARDING THE APPOINTMENT OF ARBITRATORS OR THE AMOUNT OF THE ARBITRATORS'  
30 COMPENSATION.

31       D. AN INJURED WORKER IS NOT RESPONSIBLE FOR PAYMENT OF ANY PORTION OF  
32 CHARGES THAT ARE SUBJECT TO DISPUTE. DURING THE DISPUTE RESOLUTION PROCESS,  
33 THE INJURED WORKER SHALL RECEIVE ALL NECESSARY MEDICAL, SURGICAL AND HOSPITAL  
34 TREATMENT. SUBJECT TO ANY ADDITIONAL REIMBURSEMENT THAT THE HEALTH CARE  
35 PROVIDER MAY RECEIVE IF THE PROVIDER PREVAILS UNDER ARBITRATION, THE PROVIDER  
36 SHALL ACCEPT THE REIMBURSEMENT THAT IS OFFERED INITIALLY BY THE INSURANCE  
37 CARRIER.